NAVFAC
Naval Facilities Engineering Command

Innovation…Leadership…
Performance

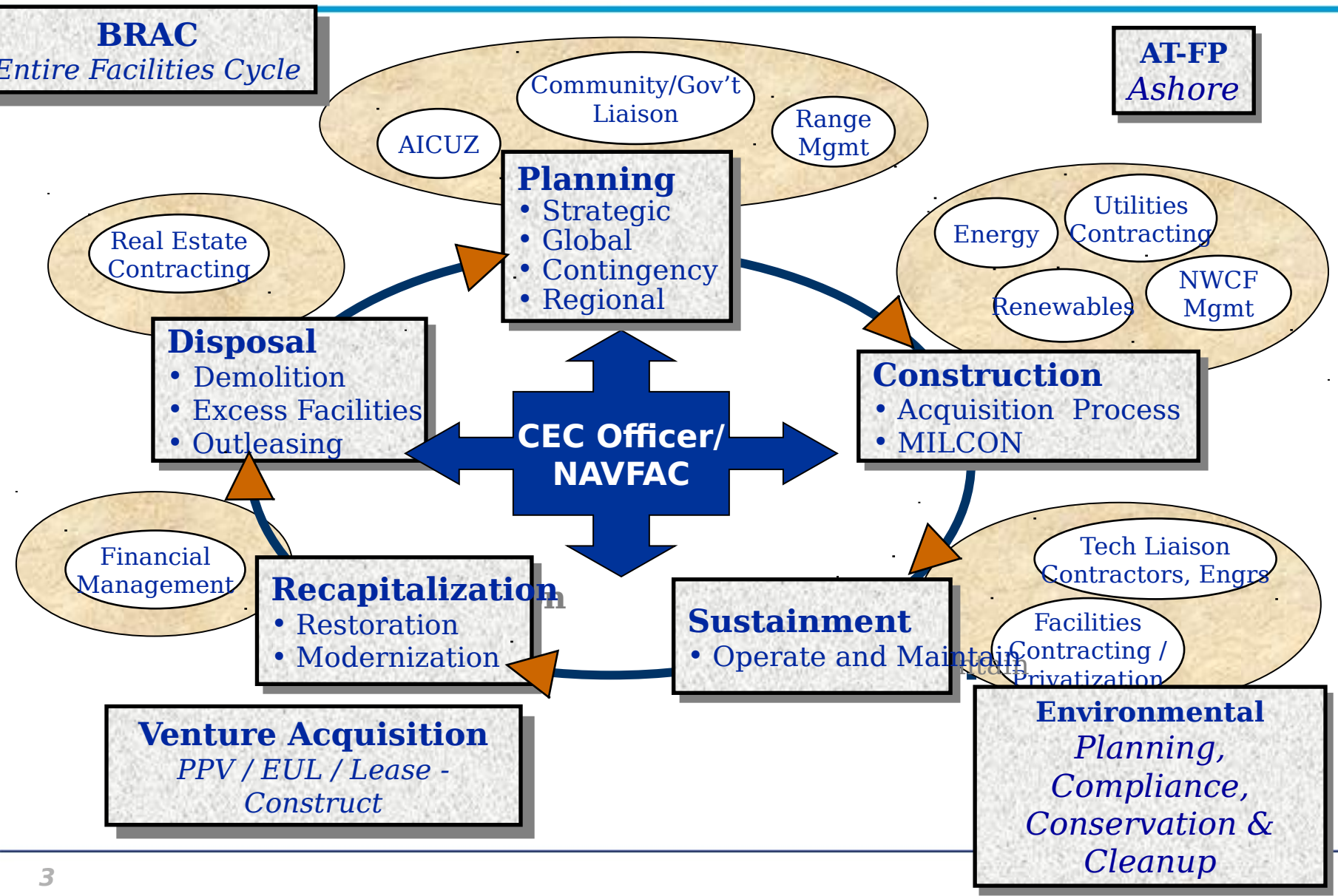
Presentation to the Marine Corps New Installation Commanders & Chiefs of Staff

24 August 2004

The Naval Facilities Engineering Command

- **Who we are…**
  - 460 Naval Officers and 13,600 Civilians
  - Manage over $9 billion of revenue world-wide
  - The Navy's Facilities Engineering SYSCOM
- **What we do…**
  - Global Engineering Command
  - Facilities Acquisition
    - Planning, Design, Construction
  - Installation Engineering Support
    - Public Works, Facilities Maintenance, Utilities, Real Estate, Transportation, Environmental
  - Seabees / Contingency Engineering

Our Business…Facilities Engineering



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NAVFAC Products & Services By Business Line

- **Capital Improvements**
  - Construction
  - Design A&E
  - Design In-House
  - Specialized Technical Services
  - Ocean Engineering
- **Environmental**
  - Environmental Planning/NEPA
  - Environmental Compliance & Conservation
  - Environmental Restoration
- **Base Development**
  - Facility Planning
  - Project Development
- **Base Operating Support**
  - CESE Mgt/WHE
  - Services
  - Utilities/Energy
  - Facility Mgt and Engineering Services
  - FSC Technical/Program Mgt
  - Base Caretaker
- **Real Estate**
  - Real Estate
- **Contingency Engineering**
  - Contingency Engineering/Mil Ops

AT/FP Program

ATFP Products & Services in Capital Imps, Base Dev, and Contingency Engineering

351 Deliverables

Takeaway

Fully Facilities Engineering Services for USN/USMC Support

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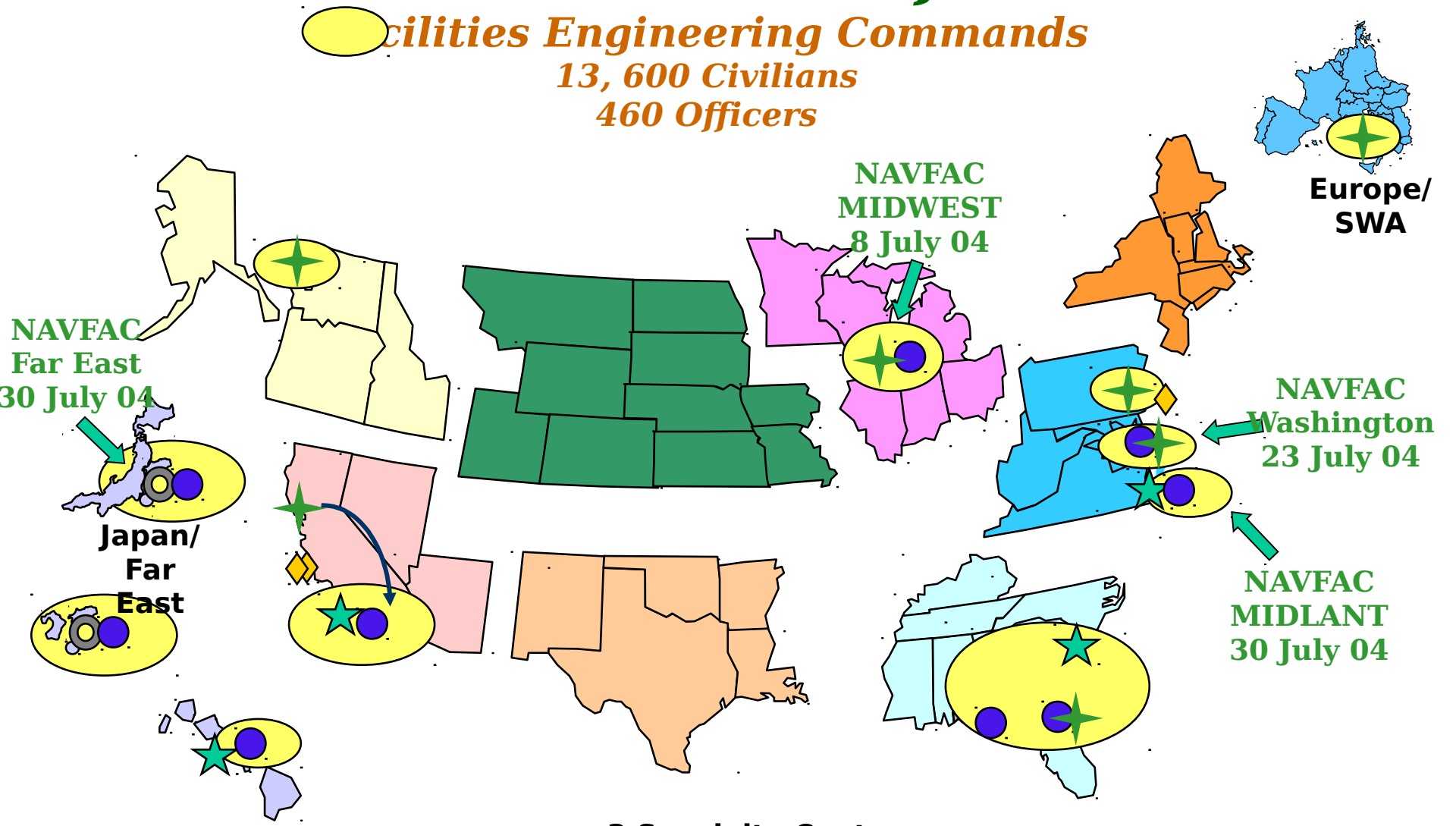
NAVFAC Global Transformation

cilities Engineering Commands

13, 600 Civilians

460 Officers



4 Engineering Field Divisions

7 Engineering Field Activities

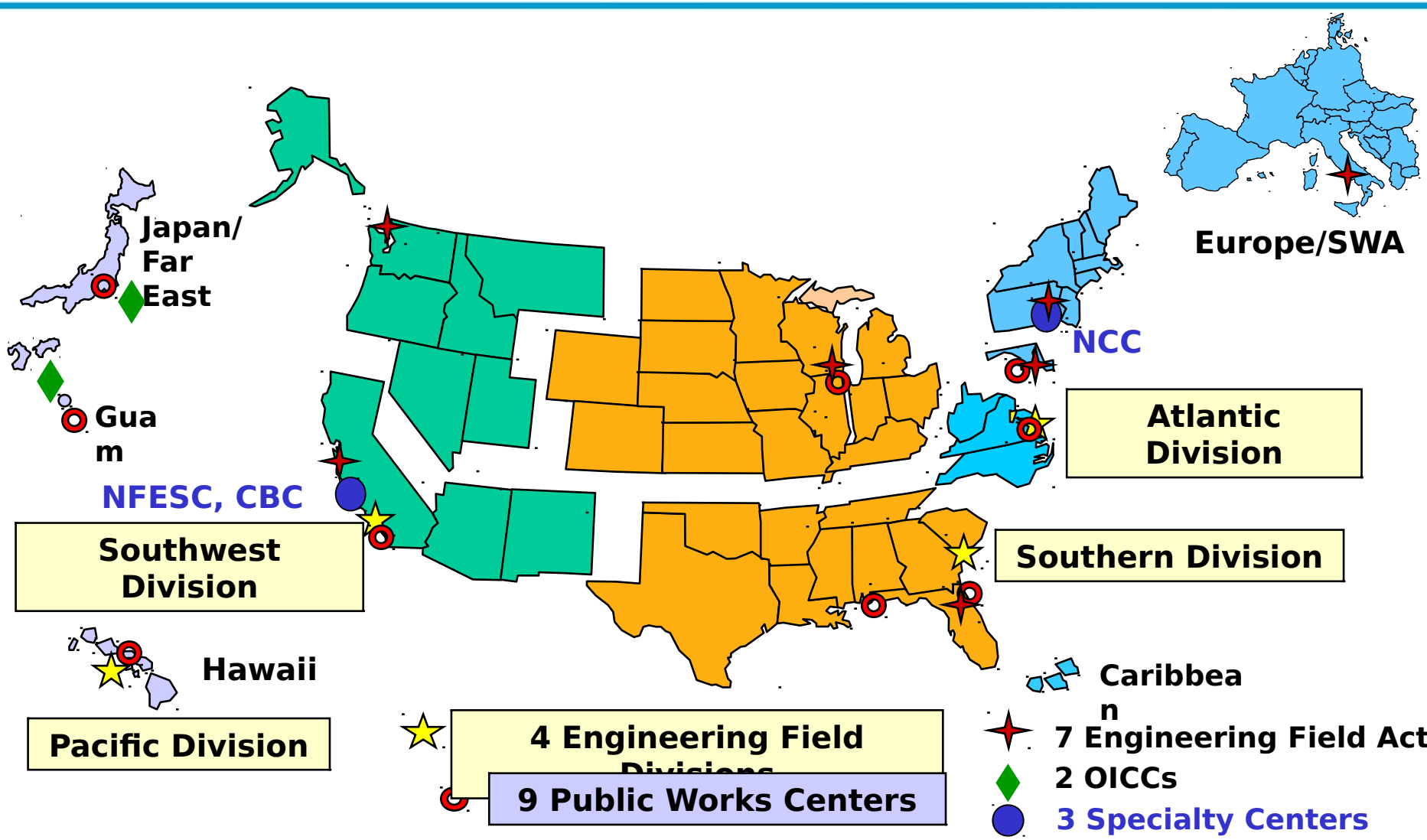
9 Public Works Centers

3 Specialty Centers

2 Officer In Charge of Construction Commands

July 2004

A Global Interdependent Team



Facilities Engineering Commands

Transformation Timeline

- **FY 2004**
  - Name Change –Atlantic Division, NAVFAC to NAVFAC Atlantic = Complete
  - Name Change – Pacific Division, NAVFAC to NAVFAC Pacific = Complete
  - Establish NAVFAC Midwest (EFA Midwest+PWC Great Lakes) = Complete
  - Establish NAVFAC Washington, (EFA Chesapeake+PWC Washington) = Complete
  - Establish NAVFAC Mid-LANT (NAVFAC Atlantic Hampton Roads IPT+PWC Norfolk) = Complete
  - Establish NAVFAC Far East (OICC Far East+PWC Yokosuka) = Complete
  - Decommission EFA West (Daly City, CA) = 30 Sep
- **FY 2005**
  - Establish NAVFAC Marianas (OICC Marianas+PWC Guam) = 1 Oct
  - Establish NAVFAC Hawaii (NAVFAC Pacific Pearl IPT+PWC Pearl Harbor) = 1 Mar
  - Establish NAVFAC Southwest (SW Division EFD+PWC San Diego) = 1 Aug
- **FY 2006**
  - Establish NAVFAC Southeast (SOUTHDIV, EFA Southeast and PWC Jax)

Where You'll Find a Civil Engineer Corps Officer

- Managing / planning shore base facilities
  - Regional Engineer/Public Works Officer
- Contracting for new facilities and maintenance
  - MCON, FHN, O&MN, OPN
- Managing Navy environmental programs ashore
- Leading Navy SEABEEs
- Providing support to senior Navy & USMC leadership on facilities, environmental, construction and base closure issues

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CEC Billets in Direct Support of USMC

O5 Facilities Support Billets at locations such

- HQMC
- Camp Pendleton
- MCB Quantico
- Camp Lejeune
- MCAS Cherry Point
- MCAS Yuma
- MCAS Iwakuni
- MCAS Kaneohe

Looking at additional opportunities

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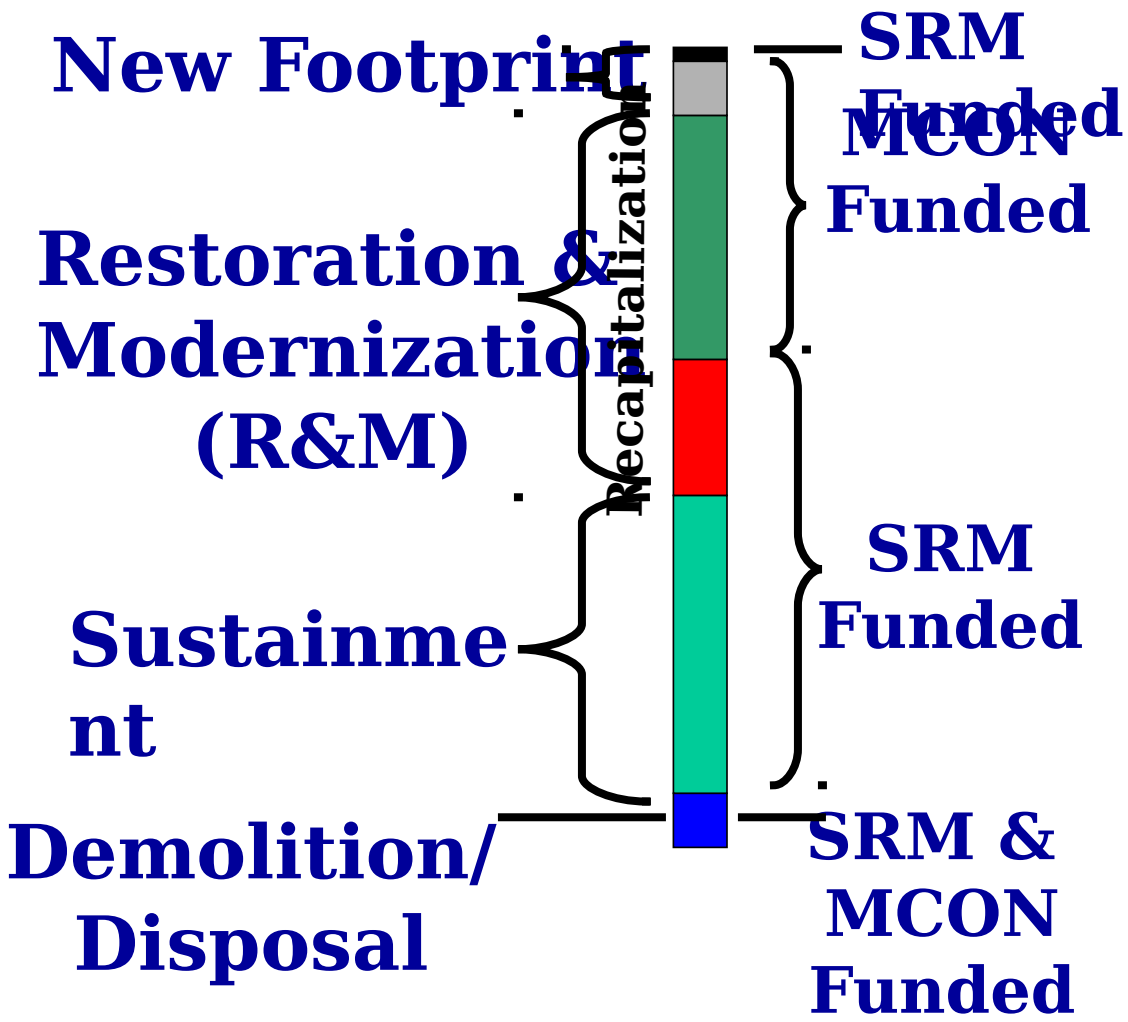
Funding for the Life Cycle of Facilities



SRM Minor Construction

MCON Major Construction

MCON Restore/Modernize

SRM Restore/Modernize

SRM Sustainment

SRM & MCON Demolition/Disposal

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Change…Construction Contracting

Yesterday

- Design-Bid-Build
- Low bid
- Adversarial

Today

- Best Value Selection
- Selected bidders
- Multiple Award Contracts
- Design Build

Tomorrow

- Design-Build-Operate-Maintain (*Finance?)*
- Sustainable Development
- Building Commissioning
- Genuine Partnering

Benefits

- Reduced acquisition time
- Life-cycle costing decisions
- Improved quality

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Concepts/Trends/Innovative Acquisition

- Continue Regionalization
- Emphasize Design-Build/Commissioning
- Use more Sustainable Development
- Increase Public-Private Ventures
- Implement Electronic Acquisition
- Improve Partnering Process

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Innovative Acquisition Strategies

- **Equipment and Refueling Shops, MCAS Miramar ($9M)**
  - Design-Build Maximum Price Task Order
  - 10 Page Full Performance RFP – All Design Work Accomplished Post Award
  - Video of Proposals and Deliberations Became Board Report

Miramar

- **Corrosion Control Facility, MCAS Beaufort ($9M)**
  - 2-Phase Design-Build
  - Contract Performance Period Reduced 100 days
  - Ktr Received Certificate of Commendation

Corrosion Control

- **Slocum Village Housing, MCAS Cherry Point ($37M)**
  - Design-Build, Demo 319 Units, Build 278 Units
  - Unique Phasing Plan Minimized

Slocum Village

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Future Acquisition Strategies

- **Design-Build: Next Generation**
  - ***D-B Operate and Maintain***
  - ***D-B Operate and Maintain/Private Finance***
- **Fixed Price Insured: "Really Fixed Price"**
  - ***Single construction price includes all changes***
- **Best Value: Next Generation**
  - ***Ability to expand private sector innovation***
- **Reverse Auctioning: E Procurement**
  - ***Ebay strategies: WEB-Based Competition***
- **Web-Based Platforms Globally**

NAVFAC E-Business Initiatives

FAC is aggressively pursuing e-Business Initiatives

- **ESOL: Electronic Solicitations On Line**
  - On-Line bid specifications and documents
  - Won "Best Electronic Commerce Business Implementation" Award In 2001
- **E-Net: Engineering Network**
  - On-Line Engineering Community of Practice
  - Won DON eGOV Award
- **WebCM: Web Construction Management**
  - COTS, web-based Construction Management for all field offices
  - Standardized platform used by NAVFAC, A/E, Contractor, and Clients
- **E-FSC: Electronic Facilities Service Contracts**
  - DoN e-Business pilot in FY 02 - Roll out in FY 03
  - Using DoD eMALL, allows web-based, client-self ordering of service work using purchase card
  - Task order processing time reduced by 80%

Change…Services Contracting

Yesterday

- Small, single function contracts
- Prescriptive contracts
- Low bid awards

Today

- Multi-function and full BOS contracts
- Best value contracting
- Award Fee incentive

Tomorrow

- More regional BOS contracts
- Performance-based contracts
- Standard Template
- Award Option incentive (longer terms)

Benefits

- Increased buying power
- Consistent business practices/Quality
- Increased responsiveness

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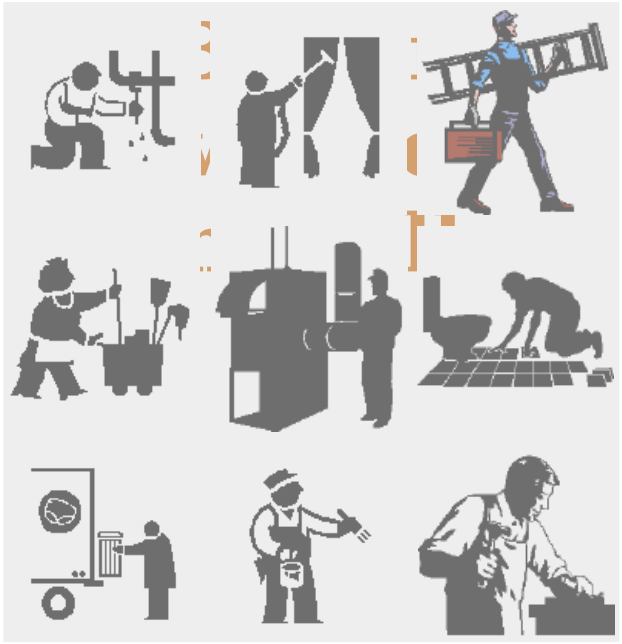
Services Contracting

Service Contracts totaling more than $1.0



Current and New Initiatives

- Standard formats - globally
  - USMC participated on FSC "Template Team"
- CNI-IPT service levels - globally
- Regional acquisition strategi
- Pe
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  purchas

- Increased Responsiveness
- Increased Buying Power
- Consistent business

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Public Private Ventures

Basic Precepts

- PPV is a Public/Private Venture
- Partnership between DoN and a private company
  - Form a Limited Liability Company (LLC), DoN is minority member
  - Managing member owns and operates housing
  - DoN owns land, leases it to LLC
  - Government has understood level of ownership interest and specified voice in company decisions
- 50-year renewable term deal
- Military members collect Basic Allowance for Housing (BAH) and pay rent to the Property Manager

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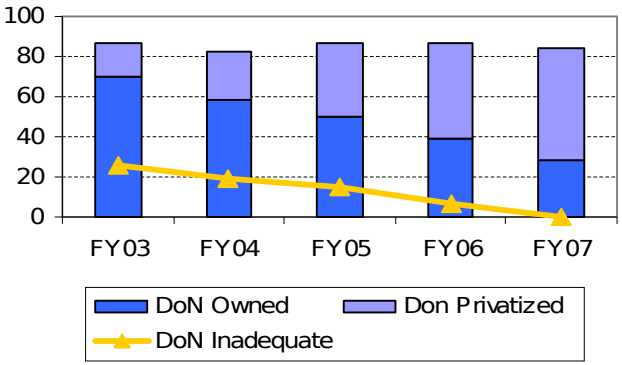
Planned PPV Projects



FY04

- Yuma/CP3*

FY05

- NE Region
- NW Region 1
- Mid-Atlantic Region 1
- Midwest Region
- Camp Lejeune 1
- Kansas City*
- Twentynine Palms*

FY06

- SE Region Phase 1
- Camp Lejeune 2*
- Camp Pendleton 4*
- San Diego 3*
- Hawaii Region 2* (Navy and USMC)
- BH San Diego 1
- BH Hampton Roads 1

FY07

- SE Region Phase 2*
- Central California 1
- Camp Lejeune 3*
- Yuma 2*
- Hawaii Region 3* (USMC)

FY08

- Mid-Atlantic Region 2*
- Central California 2*
- NW Region 2*

NAVY Project USMC Project JOINT (Navy & USMC) Project * Option to previous agreemen

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Real Estate

Blount Island Land Acquisition

22 Mar 01

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Final Takeaway…

- **NAVFAC is global**
- **Our strength is Integrated Facilities Support**
- **NAVFAC is part of your staff**

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